Name of the Country	Bank of India	Bank of Baroda	Indian Bank	Indian Overseas Bank	UCO Bank	Canara Bank	Syndicate Bank
Mauritius	—	8					
United Arab Emirates	—	6	—	—	—	—	—
Seychelles	—	1	—	—	—	—	—
South Africa	—	1	—	—	—	—	—
South Korea	—	—	—	1	—	—	—
Sultanate of Oman	—	3	—	—	—	—	—
TOTAL:	18	38	3	6	4	1	1

Waiver of loan to Orissa

2536. SHRI H.K. JAVARE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to waive all pending loans as requested by Orissa; and

(b) whether it is a fact that Orissa is unable to release the matching grants for the irrigation projects?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) The Government of India has no proposal to waive the pending loans of Government of Orissa beyond the recommendations of the Eleventh Finance Commission.

(b) Release of assistance under Accelerated Irrigation Benefit Programme (AIBP) for major/medium and minor irrigation schemes is guided by the norms of AIBP. Accordingly, instalments of Central Loan Assistance (CLA) is released only after the State Government has contributed its share. An amount of Rs. 100 crore was released during 2000-01 under AIBP.

Defaulter of Bank Loans

2537. SHRI AIMADUDDIN AHMED KHAN (DURRU): Will the Minister of FINANCE be pleased to state:

(a) what are the names of 200 persons/parties/companies who have the largest amounts as overdue to Public Sector Banks;

(b) what are the reasons for not forfeiting their properties/other securities in lieu of the defaulting amount; and

(c) what action Government are taking to recover these overdue amounts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI B ALAS AHEB VIKHE PATIL): (a) Reserve Bank of India (RBI) has reported that as per the available information, as on 30th September, 2000 there were 6816 accounts in the public sector banks, with outstanding of Rs. 1 crore and above, which were classified as doubtful, loss and suit filed, and the total outstandings in these accounts was Rs. 41512.46 crores. Under the current provisions of the banking laws, disclosure of details of borrowers of public sector banks is not permissible. However, RBI publishes a list of borrowal accounts against whom banks and financial institutions have filed suits for recovery of their dues aggregating Rs. 1 crore and above and Rs. 25 lakh and above for willful defaulters as on 31st March every year. The last such list has been published as on 31st March, 2000. It is also available on internet and the URL of RBI website is http://www.rbi.org.in.

(b) and (c) Government of India and RBI have advised the banks to take several steps for recovery of their dues, such as evolving and implementation of recovery policy by them, filing of suits with civil courts, filing cases with Debt Recovery Tribunals (DRTs), compromise settlement through Settlement Advisory Committees and monitoring and follow up of Non-Performing Assets (NPAs) at various levels in the bank. RBI vide its circular dated 27th July, 2000 had framed non-discretionary and non-discriminatory guidelines for settlement of NPAs upto Rs. 5 crore and advised banks to evolve their own policy for loan outstandings of above Rs. 5 crore. Effective action by banks for rehabilitation, one-time settlement and filing of suits in all necessary cases by 31.9.2001 has to be ensured by the chief executives. The banks have also been advised to use the forum of Lok Adalats for compromise settlement of their NPAs and guidelines have been issued by RBI in May, 2001 for making increased use of this forum to settle disputes involving outstanding balance in NPA accounts upto Rs. 5 lakhs.

The DRT Act was amended last year to, *inter-alia,* provide for empowering die DRTs to consider the counter claim/set off, to pass orders for attachment of property before judgment or for appointment of Commissioner or Receiver for preparation of inventory or possession of property or sale thereof, to issue certificate straightaway on the basis of decree/order of any court to send a dependant plaintiff in civil prison in case of breach committed in respect of

injunctions or any order, to transfer the recovery certificate from one DRT to another to facilitate easy recovery, to distribute the sale proceedings among the secure creditors on the basis of priorities *inter-se,* etc.

Action has also been initialed to tighten legislative provision regarding foreclosures and enforcement of securities in cases of default, in order to enable the banks and financial institutions to realize their dues. Credit Information Bureau has also been set up to disseminate information on borrowers to the banks.

New guidelines for NBFCs

2538. SHRI P. PRABHAKAR REDDY:
SHRI KARNENDU BHATTACHARJEE:

Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has recently issued new guidelines for the Non-Banking Financial Companies;

(b) if so, the details thereof and the reasons therefor;

(c) whether these guidelines would govern the Residuary Non- Banking companies also; and

(d) if so, the details of the regulatory framework which has been put in place to implement these guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI B ALASAHEB VIKHE PATIL): (a) and (b) The Reserve Bank of India (RBI) has put in place a comprehensive regulatory and supervisory framework aimed at protecting the interests of depositors and ensuring that the NBFCs function on sound and healthy lines. Recently, RBI issued the Asset-Liability Management (ALM) Guidelines for Non-Banking Financial Companies as a part of the overall system for effective risk management in their various portfolios. As per the guidelines, NBFCs, which have asset size of Rs. 100.00 crore and above or public deposits of Rs. 20.00 crore and above as per their balance sheet as on 31.3.2001, should put in place an ALM system which is required to be implemented by the year ending 31.3.2002. The NBFCs have been advised that it would be desirable to constitute an Asset Liability Management Committee under the charge of Chief Executive Officer or other Senior Executive with specialist members for carrying out the spadework for formalising ALM system in the institution.